

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -APRIL 21, 2009- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:43 p.m.
Councilmember Matarrese led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(09-146) The Interim City Manager introduced Glenda Jay, Interim Finance Director.

(09-147) Proclamation declaring April through June 2009 as Historic Preservation Season.

Mayor Johnson read and presented the proclamation to Judith Lynch, Historical Advisory Board Member.

Ms. Lynch thanked the Council for the proclamation.

Nancy Hird, Alameda Architectural Preservation Society President, stated Preservation Season is a celebration of the wonderful architecture in Alameda; invited everyone to the Awards ceremony on June 2, 2009.

(09-148) Proclamation declaring April 2009 as Fair Housing Month.

Mayor Johnson read and presented the proclamation to Angie Watson-Hajjem, Echo Housing representative.

Ms. Watson-Hajjem thanked Council for the proclamation; stated that she is honored to be serving Alameda.

(09-149) Proclamation declaring May 2009 as Asian Pacific Heritage Month.

Mayor Johnson read and presented the proclamation to Benny Chin and Martin Fong with Buena Vista United Methodist Church.

Mr. Chin stated proclaiming May as Asian Pacific Heritage Month is

an honor; thanked Council for the proclamation; invited everyone to attend the Annual Spring Festival on May 3, 2009 from 12:00 p.m. to 5:00 p.m. at 2311 Buena Vista Avenue.

CONSENT CALENDAR

Councilmember Matarrese moved approval of the Consent Calendar.

Vice Mayor deHaan seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*09-150) Minutes of the Special City Council Meeting held on April 1, 2009; the Special and Regular City Council Meetings held on April 7, 2009; and the Special City Council Meeting held on April 14, 2009. Approved.

(*09-151) Ratified bills in the amount of \$1,596,912.29.

(*09-152) Recommendation to authorize the City of Alameda's continued participation in the Alameda County Lead Poisoning Prevention Program for Fiscal Year 2009-2010/2011-2012. Accepted.

(*09-153) Recommendation to accept \$120,900 in Citizens' Option for Public Safety Program Grant funding to supplement frontline Police services. Accepted.

(*09-154) Resolution No. 14323, "Authorizing the Interim City Manager to Submit an Application to CalTrans for \$79,000 in Community Based Transportation Planning Grant Funds for Fiscal Year 2009-2010 to Conduct a Citywide Transportation Systems Management/Transportation Demand Management Plan, Commit \$16,000 as a Local Match Including \$8,200 in Transportation System Management Funds and for \$7,800 in In-Kind Staff Support, and to Execute All Necessary Documents to Implement the Project." Adopted.

(*09-155) Ordinance No. 2993, "Approving and Authorizing the City Manager to Negotiate and Execute a Second Amendment to Modify and Extend the Franchise Agreement with Alameda County Industries AR, Inc." Finally passed.

(*09-156) Ordinance No. 2994, "Amending the Alameda Municipal Code by Amending Various Sections of Chapter XXI (Solid Waste and Recycling) to Clarify the Definition of Customer and Customer Responsibilities." Finally passed.

CITY MANAGER COMMUNICATIONS

(09-157) Mif Albright Course Update.

The Interim City Manager stated \$21,000 would be needed to bring the Mif Albright Course back up to a reasonable play level; Kemper Sports has offered to maintain the Course for approximately \$1,000 per month; water would be the biggest expense and would cost approximately \$18,000 for six months; total costs add up to approximately \$45,000; \$69,000 was generated from June through November last year; Council would need to approve the expenditure at the May 5, 2009 Council Meeting to amend the budget; the interim solution would deal with the junior golf issue.

Mayor Johnson inquired whether staff would be working on a parallel track with Kemper Sports for a long-term solution, to which the Interim City Manager responded in the affirmative.

Speakers: Glenn VanWinkle, Alameda; Gail VanWinkle, Alameda; Norma Arnerich, Alameda; Stephen Burnett, Alameda High School Golf Coach; Jane Sullwold, Alameda Golf Commission.

Councilmember Matarrese stated that he wants numbers to be valid and validated; understanding that the data is good and applying corrective actions to running the entire Golf Course is important; that he has to guess there are discrepancies for the other 36 holes if there are discrepancies for the 9-hole Course; that he would like a cost comparison of having the City maintain the Course.

The Interim City Manager stated that issues would be reviewed.

Vice Mayor deHaan thanked the Interim City Manager for the quick response.

(09-158) Information Technology Report.

The Interim City Manager stated the declining condition of the City's Information Technology infrastructure was discussed at the February 7, 2009 workshop; upgrading technology would produce significant annual savings; parts cannot be found for the current phone system.

The Information Technology Director gave a Power Point presentation.

Mayor Johnson stated the proposed plan is good.

Councilmember Gilmore inquired how "911" would integrate into the system.

The Information Technology Manager responded two solutions could be used; stated the City uses Extend with the PBX system, which would also work in an IP solution; CISCO has an E911 Plan which the City could purchase.

Councilmember Gilmore inquired whether the two solutions are part of the cost.

The Information Technology Manager responded the City has the Extend product; stated the City's \$10,000 maintenance cost would continue; the City already has the database.

Councilmember Gilmore inquired whether the host would take care of physical equipment such as handsets and switches, to which the Information Technology Manager responded the City would get a few spare handsets; stated there is no maintenance cost for handsets, just switches.

Councilmember Matarrese stated that he does not project savings in perpetuity because the system will get old; requested that staff look into some type of technology maintenance fund.

Councilmember Tam stated Council discussed the integrity and relevance of the financial information system at the February workshop; inquired how the proposed plan fits into the overall IT replacement and earmarking the positive fund balance that would no longer be positive.

The Interim City Manager responded the City would be able to leverage dollars with the cost savings; stated the cost savings could be dedicated to upgrading the financial software and system; the City cannot run Microsoft Office 2003 because the hardware is old; the savings estimate is very conservative; the idea is to come back and address the integrity and security of the financial and computer systems and at the same time create a fund so that there is a reserve.

Councilmember Tam inquired whether the City would be getting the biggest bang for the buck by replacing the phone system as opposed to any other technological assets.

The Information Technology Manager responded the proposed plan would have the greatest savings at this point; stated other technology would not provide any savings and would require capital.

Councilmember Tam stated a proposed Sunshine Ordinance will be discussed later tonight; the Ordinance would provide readily available web access information to the public; inquired whether

the City would need some major technological investments in order to facilitate posting scanned documents.

The Information Technology Manager responded a study has been done for revamping the City's website; stated the study shows that the cost would be very high; the City has some scanning capability; the backend hardware does not have a lot of capability.

The City Clerk stated the City Clerk's office has been using Laserfiche; IT is working on a web solution in order to have scanned documents online.

Mayor Johnson inquired whether using an outside service would be more feasible, to which the Information Technology Manager responded the City's web solution is outsourced.

Mayor Johnson inquired whether the website is not as good as it could be because of the hardware.

The Information Technology Manager responded the website needs revamping and reprogramming.

Mayor Johnson inquired whether limited server capacity is a problem.

The Information Technology Manager responded in the affirmative; stated a hosted solution could be used for the website, but reprogramming and redesign is needed.

Mayor Johnson stated all solutions should be reviewed; all Court documents are available online; the goal should be to make all documents available online.

Vice Mayor deHaan inquired when staff would come back with a proposal.

The Interim City Manager responded the cost of the proposed plan was put into the budget.

The Information Technology Manager stated implementation would take four to six months.

Vice Mayor deHaan inquired where the hub would be for the new system, to which the Information Technology Manager responded the new system would be hosted by AT&T.

REGULAR AGENDA ITEMS

(09-159) Resolution No. 14324, "Appointing Dean Batchelor as a Member of the Civil Service Board." Adopted; and

(09-159A) Resolution No. 14325, "Appointing Dennis H. Viehweg as a Member of the Economic Development Commission." Adopted.

Councilmember Matarrese moved approval of the resolutions.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

The City Clerk administered the Oath and presented certificates of appointment to Mr. Batchelor and Mr. Viehweg.

Mr. Viehweg thanked Council for the appointment.

Mr. Batchelor thanked Council for the opportunity to serve.

CITY MANAGER COMMUNICATIONS

(09-160) Financial "State of the City"

The Interim City Manager gave a Power Point presentation.

Mayor Johnson inquired how the actual revenue [Workers' Compensation Fund] turned out to be lower than the budgeted revenue.

The Interim City Manager responded the number will always be off because of how claims are charged back.

Vice Mayor deHaan inquired whether there is an explanation for the major fluctuation in actual expenses.

The Interim City Manager responded the actual expense is hit when the claim is paid; stated it may take years for a claim to be paid.

Mayor Johnson inquired whether the Workers' Compensation Fund balance is a negative \$2,322,784.

The Interim City Manager responded the fund balance is a projected negative on June 30, 2009.

Mayor Johnson stated a policy needs to be in place so that the situation does not happen again.

The Interim City Manager gave a chalk talk presentation.
Councilmember Matarrese stated understating how the situation

happened is necessary in order to make an appropriate fix.

The Interim City Manager stated staff has been working with the City Attorney's office regarding claim management issues; failing to charge departments full fixed charges will not continue; in the past, any General Fund surplus was transferred to Internal Services Funds.

Mayor Johnson stated that she still does not understand how the situation happened.

The Interim City Manager stated fixed charges were not charged back to the General Fund.

Vice Mayor deHaan stated the trend should have been recognized.

The Interim City Manager stated the numbers were in the adopted budget.

Councilmember Matarrese stated the City does not have \$6.4 million going into the 2010 budget; Council needs to face up to the fact that the reserve will be down to \$1.8 million in 2010.

The Interim City Manager stated the \$6.4 million figure subtracts out the Fiscal Year 2008-2009 negative.

Councilmember Tam stated Fiscal Year 2004-2005 shows a decline in the cash balance but the fund balance grew; prior Councils and managers have made discretionary decisions on whether or not to pay back the deficit.

The Interim City Manager stated staff is coming up with corrective actions to charge back fixed charges; repayment would be considered an additional fixed charge to departments over three years; the huge hit would not be absorbed in one year.

Vice Mayor deHaan stated the City has been living with budgets that have had a 5% growth.

The Interim City Manager stated the projected property tax growth is .5%.

Vice Mayor deHaan stated cash reserves are down; there will easily be a 10%-15% reduction; the books are still carrying \$2.1 million from Alameda Municipal Power (AMP).

The Interim City Manager stated none of the \$6 million owed to the City has been written off; the Executive Management Team's job is

to provide a sustainable approach for the next two years.

Councilmember Tam stated that she appreciates staff highlighting that the property transfer tax doubled; Measure P did not solve the City's problems, but the situation would be much worse if Measure P had not passed.

The Interim City Manager stated that the City would be short an additional \$800,000 if Measure P had not passed.

Mayor Johnson requested an explanation of the Internal Services Fund amounts shown on the Ten Year History graph, to which the Interim City Manager responded that she added a bar to show the expenditure amount, including Internal Service Funds.

Mayor Johnson requested that the Interim City Manager recommend policies or practices.

The Interim City Manager stated that she is working on a Procedure Manual with the Interim Finance Director; the Procedure Manual would become the rule.

Vice Mayor deHaan stated that Fiscal Year 2004-2005 and Fiscal Year 2005-2006 had exceptional growth; expenditures were increased; poor decisions were made in 2005-2006.

Councilmember Matarrese stated during said time medical costs increased by 10%; the City will have to live with a thirty to ninety day delay if the State borrows money from the City; the City will have to live off cash.

The Interim City Manager stated the State will pay at some point; money is spent from the General Fund regularly; the General Fund cash needs help occasionally.

REGULAR AGENDA ITEMS

(09-161) Recommendation to request staff to prepare a report on the effect of the proposed Alameda Point Development initiative measure pursuant to Election Code Section 9212 and designate a response date.

The Redevelopment Manager provided a revised staff recommendation.

Speakers: Jim Sweeney, Alameda, (provided handout); Jean Sweeney, Alameda; Former Councilmember Barbara Kerr, Northside Association; Rosemary McNally, Alameda, (provided handout); Sharon Loshakoff, Alameda; Jean Graham, Alameda; Nancy Gordon, Alameda; Darcy

Morrison, Alameda; Elizabeth Krase, Alameda; Ashley Jones, Alameda; Mary Fetherolf, Alameda; Dave Needle, Alameda; Pat Bail, Alameda; Kathy McIntire, Alameda; Marcus Holder, Alameda; Former Councilmember Barbara Thomas, Alameda; Gretchen Lipow, Alameda; David Howard, Alameda, Save Our City, Alameda; Noel Folsom, Alameda; Diane Coler-Dark, Alameda; David Kirwin, Alameda; Pat Gannon, Alameda; Denise Brady, Alameda; Corinne Lambden, Alameda; William Smith, Alameda; Janet Davis, Alameda; Dana Sack, Piedmont.

Vice Mayor deHaan stated the staff report notes that the initiative would not be subject to the California Environmental Quality Act (CEQA) if the initiative qualified for the November election.

The Redevelopment Manager stated a subsequent Disposition and Development Agreement (DDA) would be subject to CEQA.

Vice Mayor deHaan inquired whether an Environmental Impact Report would not be available to the public prior to the November election, to which the Redevelopment Manager responded in the affirmative.

Vice Mayor deHaan stated the Fleet Industrial Supply Center has 175 acres; the City gave an incentive of \$56 million; Alameda Point has 720 acres and has an incentive of \$200 million; the City would be remiss by not making a complete financial analysis; questioned whether the cart is before the horse; stated the proposed initiative changes everything from the Master Plan to the Housing Element; that he questions whether transportation impacts can be evaluated for \$60,000 to \$100,000; the proposed initiative is overpowering; that he is concerned with having an initiative before having answers.

Councilmember Tam stated that she views the initiative as ultimate democracy because voters would have a direct vote on the development; that she is sorry to hear that signature gathers have not been polite and civil; that she has had a different experience; staff is the most knowledgeable in understanding the Housing Element and different zoning ordinances; that she agrees that the initiative is complicated; an Executive Summary is needed, would reflect the City's assessment of the initiative and would be in keeping with the spirit of the Election Code; that she is supportive of having staff address Items 1 through 7 without relying on SunCal funding; that she has sympathy in having to go through the complexity of the proposed initiative.

Councilmember Gilmore stated that she concurs with most of Councilmember Tam's statements; an aggressive schedule was set in order not to repeat the same mistakes that Alameda Point Community

Partners (APCP) made by dragging out the process; Council stated that an initiative process would be needed if Measure A was ever to change; that she is sorry that people are having bad experiences with signature gatherers; the proposed initiative is the democratic process at work; citizens would be able to vote on what matters most; every day of delay could result in a major breakdown that would cost taxpayers; that she is concerned with carrying costs.

Councilmember Matarrese stated the study should be funded by the Alameda Reuse and Redevelopment Authority (ARRA), not SunCal; that he likes the idea of a two phase report; peer review information should be rolled into the summary; that he would like to have a legal analysis and explanation of the control mechanisms that the City retains under the DDA; the initiative mentions "developer", not SunCal; it is important to understand steps to identify the developer through the DA and DDA; existing information should be used regarding cleanup below the ground which the Navy would be responsible for and above the ground which would be the responsibility of the landowner; that he would like to build on existing traffic studies and have staff come back with a finer analysis than \$60,000 to \$100,000 before Phase II; other big events in Alameda history have occurred without voter input; an independent study based on available information would ensure that issues are clear; that he endorses the staff recommendation for a two stage process with his additional comments, particularly the control aspect of what legislative control would remain and the impact of what would happen if it fails.

Councilmember Gilmore stated that she assumes the Executive Summary would reference detailed documents.

Mayor Johnson inquired whether Councilmember Matarrese is recommending adoption of staff recommendations 1 through 8 with additional referenced points.

Councilmember Matarrese responded in the affirmative; stated the study would be funded by ARRA.

The Redevelopment Manager inquired whether or not staff is directed to proceed with Phase 2.

Councilmember Matarrese stated that he would like an interim report with a more refined estimate before proceeding.

The Assistant City Manager stated ARRA approval would be needed.

Vice Mayor deHaan stated that he has difficulty with staff performing a land use review; that he thinks outside counsel is

needed.

Councilmember Matarrese inquired whether SunCal deliverables have been reviewed by hired consultants, to which the Redevelopment Manager responded in the affirmative.

Vice Mayor deHaan stated the process has been reviewed, not the initiative.

The Redevelopment Manager stated outside counsel has been supportive in all efforts; staff always checks with the City Attorney and outside legal counsel if there are questions.

Vice Mayor deHaan inquired whether the Interim City Manager has ever seen such a far-reaching initiative, to which the Interim City Manager responded not in her travels.

Vice Mayor deHaan stated that legal counsel needs to compare other petitions.

The Interim City Manager stated Council did not direct staff to write the initiative; the goal is to make the initiative transparent and as easily understood as possible.

Vice Mayor deHaan inquired whether the staff recommendation is all encompassing and would put things in proper perspective, to which the Interim City Manager stated the two-stage approach would.

Vice Mayor deHaan inquired whether the initiative could be corrected if something is missing and whether SunCal would need to start the process over again.

The City Attorney responded SunCal would need to start the process over again if an error is found.

Councilmember Matarrese stated Council's job is to have an independent analysis so that information can be offered to dispel misconceptions.

Councilmember Matarrese moved approval of staff's two Phase recommendation with following direction: 1) ARRA pays for the study; 2) specific components be addressed in addition to Items 1 through 8; 3) an explanation of control mechanisms that would remain should the initiative pass, including zoning, DDA, and process of identifying the developer; 4) the report is to address environmental concerns regarding what the Navy would be responsible for under the soil and what the developer/eventual landowner would be responsible for above the soil; 5) before launch, a finer

number than \$60,000 to \$100,000 be provided for additional transportation studies; and 6) outline what the scope of work would deliver.

Councilmember Matarrese stated that he would like to repeat a previous request to have a timeline published on the website, or provided in an Off Agenda Report, that outlines events between now and Election Day.

Councilmember deHaan seconded the motion with the caveat to include what would happen if major changes are made to the initiative.

On the call for the question, the motion carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

(09-162) Will Richards, Alameda, discussed security measures at Todd Shipyard.

(09-163) Gretchen Lipow, Alameda, discussed Alameda Point.

(09-164) Noel Folsom, Alameda, stated that letting the fire burn for nineteen hours at the Old Navy Hospital and Supply Depot was unacceptable.

COUNCIL REFERRALS

(09-165) Consider the formation of a Sunshine Community Task Force.

Councilmember Tam stated the concept is to evaluate resources on whether the City could support a Sunshine Community Task Force; the state of the print media is declining; online journalism is an emerging trend; having information more readily available and transparent is needed; the community has been discussing whether there is an adequate amount of time beyond the Brown Act and Freedom of Information Act requirements in terms of noticing agendas and creating an online system to post campaign finance reports.

Kate Quick, League of Women Voters of Alameda, stated the League of Women Voters would be happy to participate in the formation of the ordinance.

Councilmember Tam stated Berkeley is in the process of developing a Sunshine Ordinance; the Freedom of Information Act Coalition noted that there are eight cities in the area that have a Sunshine Ordinance.

Councilmember Matarrese stated that he would like to have the Interim City Manager provide information on what it would take to develop a Sunshine Ordinance; most online journalism is editorialism; source documents need to be provided; facts need to be made clear.

The Interim City Manager stated that she has figures on how many man hours would be needed; that she assumes the proposed Task Force would have a ninety-day target date; City staff could provide a certain number of hours.

Mayor Johnson inquired what Councilmember Tam is thinking in terms of group size and scope.

Councilmember Tam responded each Councilmember could designate a resident; stated the Assistant City Attorney could help gather some of the pressing issues; that she is thinking more in terms of an ordinance rather than a Charter amendment.

Mayor Johnson stated an ordinance is a good idea.

Vice Mayor deHaan inquired whether the Interim City Manager would advise how the proposed committee would be formed.

The Interim City Manager responded that she could make an educated guess on staff involvement and number of meetings.

Mayor Johnson inquired whether the Interim City Manager is suggesting that staff come up with some ideas, work with the proposed committee, and bring something back to Council.

The Interim City Manager responded staff would come back with a report; stated the deliverable would be very specific.

Mayor Johnson inquired whether said suggestion is what Councilmember Tam has in mind, to which Councilmember Tam responded in the affirmative.

Vice Mayor deHaan inquired whether the proposed committee would be similar to an Ethics Committee.

The Interim City Manager responded the proposed committee would address access to information.

Councilmember Tam stated Dan Purnell, Executive Director of the Public Ethics Commission for Oakland, noted that the first step is a Sunshine or Code of Conduct Ordinance in order to have an ethics

review against some standard.

Vice Mayor deHaan inquired whether Councilmember Tam wants to start with the informational portion.

Councilmember Tam responded that she would like the ordinance to be foundational.

Councilmember Matarrese moved approval of bringing the matter back in thirty days.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

COUNCIL COMMUNICATIONS

(09-166) Consideration of Mayor's nominations for appointment to the Youth Commission.

Mayor Johnson nominated McCaulay J. Singer-Milnes for appointment to the Youth Commission.

(09-167) Councilmember Tam stated that she attended the Legislative Action Day with the Deputy City Manager last week; having the State protect any raids from city funds is not guaranteed; the State has approximately \$4 billion available to borrow; efforts are being made to ensure Assembly Members have an opportunity to look at what redevelopment funds do in Alameda; the Governor appreciates the League's support for Propositions 1A through 1F; the thinking is to establish a spending cap under Proposition 1A so that any extra money would go into reserves; opponents believe programs would be hurt by forcing funding into a reserve fund because the State would need to live within a certain spending limit; the State has 31 million people; the water infrastructure is built for 18 million; the Governor is hoping to have a bond measure on water infrastructure in June; the Governor would like to focus on health care reform before leaving office; another session discussed potential solutions, including a constitutional convention to deal with State budget issues, how government performs at the State level, looking at term limits, reforming the initiative process, and looking at a two-thirds versus majority vote on the budget.

Mayor Johnson noted that Senator Loni Hancock suggested that the City implement requiring that initiatives include a financing mechanism.

The Interim City Manager stated that the matter is an opportunity for Alameda in the future.

ADJOURNMENT

There being no further business, Mayor Johnson convened the Regular Meeting at 11:51 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -APRIL 21, 2009- -7:31 P.M.

Mayor Johnson convened the Special Meeting at 11:55 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(09-168) Conference with Labor Negotiators: Agency Negotiators:
Craig Jory and Human Resources Director; Employee Organizations:
All Bargaining Units.

Following the Closed Session, the Special Meeting was reconvened
and Mayor Johnson announced that the Council received a briefing on
negotiation status and requirements from its Labor Negotiators; no
action was taken.

Adjournment

There being no further business, Mayor Johnson adjourned the
Special Meeting at 12:35 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown
Act.